

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BRIDGE 01999 231345Z

ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 CAB-02 CIAE-00 COME-00  
DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 IO-13 PM-05  
NSC-05 SP-02 SS-15 L-03 H-01 /072 W  
-----016951 231351Z /45

P 221753Z AUG 77

FM AMEMBASSY BRIDGETOWN

TO SECSTATE WASHDC PRIORITY 3447

LIMITED OFFICIAL USE BRIDGETOWN 1999

E.O. 11652:N/A

TAGS: EAIR, BB

SUBJ: CARIBBEAN AIRWAYS' APPLICATION TO CIVIL AERONAUTICS  
BOARD

REF: A) BRIDGETOWN 1841; (B) USUN 86

1. SUMMARY: IN WAKE AMBASSADOR YOUNG'S VISIT, BARBADOS GOVT (GOB) CONTINUES PRESS HARD FOR EARLY PERMISSION FROM CIVIL AERONAUTICS BOARD (CAB) TO ESTABLISH ONCE-WEEKLY ROUTE TO USA FOR CARIBBEAN AIRWAYS (CA), PARTLY OWNED BY GOB. GOB BELIEVES USG WILL CONSIDER BARBADOS IMPORTANT ENOUGH IN POLITICAL AND DEVELOPMENT CONTEXT TO APPROVE APPLICATION. END SUMMARY.

2. ACTION REQUIRED: TO RESPOND TO GOB REQUEST, AND TAKING ACCOUNT OTHER FACTORS OUTLINED BELOW, DEPT REQUESTED: (A) ASK CAB TO EXPEDITE CONSIDERATION OF REVISED CA APPLICATION SUBMITTED JUNE 14; (B) ADVISE EMBASSY STATUS OF CAB APPLICATION, INCLUDING WHEN DECISION CAN BE EXPECTED, AND IN PARTICULAR WHETHER FULL HEARING, PRECEDED BY PRELIMINARY HEARING, WILL BE NECESSARY FOR RESUBMITTED APPLICATION. END ACTION REQUIRED

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRIDGE 01999 231345Z

3. AS FOLLOW-ON TO AMB'S CALL AUGUST 5 ON DEPUTY PRIME MINISTER ST. JOHN (RESPONSIBLE FOR CIVAIR MATTERS), EMBOFF CALLED AUGUST 18 ON PERMSEC FOR CIVAIR, IAN ARCHER. LATTER MADE CLEAR THAT FATE OF CA'S ROUTE TO USA FELL SQUARELY IN ARENA OVERALL US-BARBADOS RELATIONS. HE ADDED THAT, DESPITE REPEATED EXPLANATIONS FROM U.S. OFFICIALS THAT CAB IS

AUTONOMOUS, GOB BELIEVES CAB CAN ACT IN DISCRETIONARY WAY. HE CITED CAB'S JUNE 1977 RECOMMENDATION TO PRESIDENT WAIVING REQUIREMENT FOR SUBSTANTIAL NATIONAL OWNERSHIP OF BELIZE AIRWAYS. ARCHER THEN INTRODUCED PARTIAL TEXT OF JULY 21 LETTER FROM PRESIDENT CARTER TO CAB CHAIRMAN KAHN ON US-UK ROUTES, ASKING FOR QUICK ACTION IN ISSUING PERMITS TO FOREIGN CARRIERS DESIGNATED BY UNITED KINGDOM. HE THOUGHT BOTH INSTANCES DEMONSTRATED QUOTE POLITICAL INPUT UNQUOTE, EVEN IF SOME DISTINCTION WITH CA CASE COULD BE MADE. HE NOTED FEDERAL REPUBLIC OF GERMANY HAS NOW AGREED TO CA'S PLANNED WEEKLY FLIGHT ON CHARTER BASIS TO FRANKFURT BEGINNING NOV. 7, NOTWITHSTANDING THAT FRG ALSO HAS RIGID REQUIREMENTS FOR OWNERSHIP AND EFFECTIVE CONTROL.

4. REGARDING INTENT OF GOB TO ESTABLISH EFFECTIVE CONTROL OVER NATIONAL AIRLINE, ARCHER SAID GOB WILL NOT RPT NOT BUY AIRCRAFT UNTIL AFTER ROUTE ESTABLISHED, BECAUSE GOB COULD NOT AFFORD LET OWNER AIRCRAFT BE UNDERUTILIZED WHILE MAKING PAYMENTS. USA ROUTE WOULD GENERATE REVENUE, HE SAID (COMMENT: SOME LOCAL COMMERCIAL SOURCES DOUBT THAT ROUTE WOULD BE MONEY-MAKER), BY ALLOWING INCREASED UTILIZATION OF WET-LEASED AIRCRAFT NOW FLYING TO CANADA BIWEEKLY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BRIDGE 01999 231345Z

5. ARCHER CONTINUED BY EXPLAINING THAT BARBADIAN DEPUTY IS BEING TRAINED TO REPLACE CA MANAGER IAN ALLEN IN THREE YEARS. OF TOTAL FORCE 66 EMPLOYEES, 46 ARE BARBADIAN. HALF OF TEN-MEMBER MANAGEMENT TEAM IS BARBADIAN, INCLUDING CHIEF ACCOUNTANT AND SALES MANAGER. BOARD OF CARIBBEAN INTERNATIONAL AIRWAYS LIMITED (CARIBBEAN AIRWAYS IS TRADING NAME) COMPRISES SEVEN DIRECTORS, FOUR OF WHOM APPOINTED BY GOB. LAKER HAS RIGHT APPOINT THREE BUT IN FACT APPOINTS ONLY TWO SO AS NOT ALLOW VOTE OF GENERAL MANAGER, WHO IS "NEUTRAL ANYWAY" TO CREATE AUTOMATIC TIE. CHAIRMAN ALWAYS GOB NOMINEE; AT PRESENT, ARCHER. GOB APPROVES ALL MANAGEMENT APPOINTMENTS AND IMPORTANT MATTERS SUCH AS FARES. LAKER ALLOWS CA PAY FOR PLANES ON HOURLY USE BASIS RATHER THAN ON FULL-TIME BASIS, WHICH ARCHER THOUGHT WAS MUCH MORE LENIENT THAN USUAL WET-LEASE PRACTICE. ARCHER, THEREFORE, SAW LAKER'S ATTITUDE AS DEVELOPMENTAL. IN FURTHER DEPARTURE FROM USUAL WET-LEASE ARRANGEMENT, MANY AIR HOSTESSES ARE BARBADIAN, HE SAID.

6. COMMENT: KNOWLEDGEABLE OBSERVERS FRIENDLY TO USA  
BELIEVE THIS ISSUE HAS CONSIDERABLE POTENTIAL FOR  
DAMAGING FAVORABLE ATMOSPHERE CREATED BY ANDREW  
YOUNG VISIT, AND EMBASSY AGREES. AT MINIMUM, WE HOPE  
CAB WILL ISSUE SPEEDY DECISION ON APPLICATION WHICH  
CA RESUBMITTED JUNE 14 IN ATTEMPT MEET CAB CRITERIA.  
SO FAR GOB HAS HEARD NOTHING, WHILE AT SAME  
TIME, ARCHER SAID, AMERICAN CARRIERS PRESS FOR EARLY  
REPLIES TO THEIR OWN INQUIRIES SUBMITTED TO GOB.  
ORTIZ

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, LICENSES, AIR ROUTES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 22-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BRIDGE01999  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770304-0143  
**Format:** TEL  
**From:** BRIDGETOWN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770839/aaaabgkf.tel  
**Line Count:** 125  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 657afa56-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 BRIDGETOWN 1841, 77 USUN NEW YORK 86  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 24-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1532220  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CARIBBEAN AIRWAYS' APPLICATION TO CIVIL AERONAUTICS BOARD  
**TAGS:** EAIR, BB, US, CAB, CARIBBEAN AIRWAYS  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/657afa56-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009